

Regular Session, 2013

HOUSE BILL NO. 715

BY REPRESENTATIVE STOKES

TAX/CORP FRANCHISE: Repeals the corporation franchise tax and provisions relative to determining "taxable capital" for purposes of levying the tax

1 AN ACT

2 To repeal Chapter 5 of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950,
3 comprised of R.S. 47:601 through 618, to repeal the corporation franchise tax and
4 provisions relative to determining taxable capital for purposes of levying the tax,
5 exemptions, refunds, and credits from the tax and provisions relative to the payment,
6 collection, reporting of such tax, and to provide for effectiveness.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Chapter 5 of Subtitle II of Title 47 of the Louisiana Revised Statutes of
9 1950, comprised of R.S. 47:601 through 618, is hereby repealed in its entirety.

10 Section 2. This Act shall take effect January 1, 2014, and shall become operative if
11 and when the Acts which originated as House Bill Nos. ___ of this 2013 Regular Session of
12 the Legislature are enacted and become effective.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Stokes

HB No. 715

Abstract: Repeals the corporation franchise tax and all provisions relative to determining taxable capital, capital stock, and surplus and undivided profits for purposes of levying the tax, exemptions, refunds, and credits from the tax, and provisions relative to the payment, collection, and reporting of such tax.

Present law requires every domestic corporation and every foreign corporation, exercising its charter, or qualified to do business or actually doing business in this state, or owning or using any part or all of its capital, plant, or any other property in this state, to pay an annual

tax at the rate of \$1.50 for each \$1,000 on the first \$300,000 of taxable capital and at the rate of \$3 for each \$1,000 exceeding \$300,000 of taxable capital.

Present law defines "taxable capital", "capital stock", and "surplus and undivided profits" for purposes of levying the tax. Further provides for a general allocation formula relative to allocation of taxable capital and for certain exemptions from the tax.

Present law provides for payment, collection, and reporting of the corporation franchise tax as well as refunds and credits for overpayments of such tax.

Proposed law repeals present law.

Effective January 1, 2014, and shall become operative if and when House Bill Nos. ____ of this 2013 Regular Session are enacted and become effective.

(Repeals R.S. 47:601-618)